aviation links would include direct air services and over flights, a specific confirmation in this regard was sought from Pakistan. Pakistan indicated that the issue could be discussed further at technical level between the civil aviation authorities of the two sides. On June 24, 2003 India conveyed its readiness for early convening of technical level discussions for resumption of civil aviation on reciprocal basis. Pakistan on July 16, 2003, announced that it is willing to host the talks. Proposals for specific dates for the meeting are awaited from Pakistan.

(b) Prime Minister had, on April 18, 2003, extended once again the hand of friendship to Pakistan. In his telephone conversation with Pakistan's Prime Minister on April 28, 2003, Prime Minister had emphasized the importance of economic cooperation, cultural exchanges, people-to-people contacts and civil aviation links for creating a climate conducive to addressing more difficult issues. In this context, Government had on May 26, 2003, approved the resumption of Delhi-Lahore bus service as soon as the details were worked out by the technical authorities of the two countries. A technical team from Pakistan Tourism Development Corporation visited India and a technical level meeting was held between the two countries on June 19-20, 2003 in New Delhi. Subsequently, the bus resumed service from July 11, 2003.

India is committed to resolving all outstanding issues with Pakistan through bilateral dialogue and peaceful means in the spirit of Shimla Agreement and Lahore Declaration. Government intends to proceed with present approach of step by step normalization of diplomatic and other links. Further steps would be considered based on progress made, and creation of conducive atmosphere for sustained dialogue necessarily required an end to cross border infiltration and dismantling of the infrastructure of support to terrorism in Pakistan.

Statement of Chinese Ambassador on PM's visit

509. SHRI PREM CHAND GUPTA: Will the Minister of EXTERNAL AFFAIRS be pleased to state:

(a) whether it is a fact that as per the recent statement of the Chinese Ambassador to India, the visit of Indian Prime Minister has yielded better than expected results that would go a long way to enhance the mutual trust and understanding between India and China and lead to a final settlement of the historical problem between the two countries; and

(b) if so, what are the details of the agreement reached and expectations for the future of Sino-India relation?

THE MINISTER OF STATE IN THE MINISTRY OF EXTERNAL AFFAIRS (SHRI VINOD KHANNA): (a) Government is aware of press reports to this effect.

(b) During Prime Minister's visit to China in June 2003, a Joint Declaration on Principles for Relations and Comprehensive Cooperation between India and China was signed by the two Prime Ministers. Ten agreements were also signed in the presence of the two Prime Ministers, namely: (i) MoU on Simplifying Visa Procedures; (ii) MoU on Expanding Border Trade; (iii) MoU on Cooperation between the Ministry of Law and Justice of India and the Supreme People's Prosecution Service of China; (iv) Executive Programme for Educational Cooperation and Exchanges (2003-06); (v) Executive Programme for Cultural Exchanges (2003-05); (vi) MoU for the Reciprocal Establishment of Cultural Centres in Capitals; (vii) MoU for Enhanced Cooperation in the field of Renewable Energy; (viii) MoU for Cooperation in the field of Ocean Science and Technology; (ix) MoU for Cooperation between the Department of Science and Technology of India and the National Science Foundation of China; and (x) Protocol on Phytosanitary Requirements for Exporting Mangoes from India to China.

India and China agreed to qualitatively enhancing the bilateral relationship at all levels and in all areas while addressing differences through peaceful means in a fair, reasonable and mutually acceptable manner.

US Sanctions on China

510. SHRI PREM CHAND GUPTA: Will the Minister of EXTERNAL AFFAIRS be pleased to state:

(a) whether Government are aware that USA has imposed sanctions on China and Iran for ballistic missile cooperation which will deprive a large Chinese conglomerate of more than $100 million exports to the USA;